

this bill, and will they be salable and why?

SENATOR LANDIS: Well, because there is a pledge to pay them, those bonds will be sold to the same kinds of people, I assume, who buy all kinds of bonds. I guess I can't tell you who buys the City of Fremont's bonds, or the County of...Hooker County's bonds, investors, banks. Why would they buy the bonds? They'd buy the bonds because of a secure or sensible risk against the return that they get, and they would get a profit for the bonds that they purchased.

SENATOR SCHMIT: Okay, thank you.

SENATOR LANDIS: Their purpose is the same as other people, and that is to make money...

SENATOR SCHMIT: All right, fine.

SENATOR LANDIS: ...and there is money to be made in the purchase of bonds.

SENATOR SCHMIT: Fine. I have an amendment, which will come up if the bill is not successfully bracketed, which would make it clear that in the event that there is a deficiency that those entities who can levy taxes would have to go back to the taxing authorities as their responsibility. For example, the counties would have to go back to the taxpayer to make good on any deficiency they might have. You know a few years ago, many years ago I was involved when the farm credit system put together what they called the pooling system whereby they were going to help guarantee each others losses. At that time, back...it's been about 30 years ago, no one ever envisioned nationwide losses in the farm credit system such as we have today. They thought in terms of an embezzlement in one entity, or perhaps some major loss in a feedlot somewhere else, or a major disaster in a particular small community due to fire, tornado or hailstorm. No one envisioned a nationwide disaster. As soon as we had one, the system didn't work. Then along comes another noble idea, the NDIGC. No one remembers today that for years industrial banks made loans totally uninsured. All they remember is that from '79 on there was supposed to be insurance in place, and when we had a major loss, when we had a major loss, the insurance, of course, was not in a position...

SPEAKER BARRETT: One minute.